

MEETING NUMBER 3127

JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD THURSDAY, JANUARY 19, 2017
9:00 A.M.

IN THE CONFERENCE ROOM OF THE RETIREMENT SYSTEMS
500 WOODWARD AVENUE, SUITE 3000, DETROIT, MICHIGAN 48226

TRUSTEES PRESENT

MARK DIAZ	ELECTED TRUSTEE/POLICE
MATTHEW GNATEK	ELECTED TRUSTEE/POLICE
ANGELA R. JAMES	EX/OFFICIO RETIRANT TRUSTEE/POLICE/MAYORAL DESIGNEE
BRENDA JONES	EX/OFFICIO TRUSTEE/CITY COUNCIL PRESIDENT
MEGAN S. MOSLIMANI	EX/OFFICIO TRUSTEE/ALTERNATE-CORPORATION COUNSEL
JOHN NAGLICK	EX/OFFICIO TRUSTEE/FINANCE DIRECTOR
SEAN P. NEARY	ELECTED TRUSTEE/FIRE
JEFFREY PEGG	ELECTED TRUSTEE/FIRE
PORTIA ROBERSON	EX/OFFICIO TRUSTEE/ALTERNATE-HONORABLE MAYOR/CHAIRPERSON
JOHN SERDA	ELECTED TRUSTEE/POLICE/VICE CHAIRPERSON
DAVID SZYMANSKI	EX/OFFICIO TRUSTEE/TREASURER
TRACY THOMAS	ELECTED TRUSTEE/FIRE
GREGORY TROZAK	ELECTED RETIRANT TRUSTEE/POLICE
JOHN G. TUCKER	ELECTED RETIRANT TRUSTEE/FIRE

TRUSTEES EXCUSED

NONE

TRUSTEES ABSENT

PAMELA SCALES	EX/OFFICIO TRUSTEE/BUDGET DIRECTOR
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STAFF PRESENT

CYNTHIA A. THOMAS	EXECUTIVE DIRECTOR
DAVID CETLINSKI	ASSISTANT EXECUTIVE DIRECTOR
RYAN C. BIGELOW	CHIEF INVESTMENT OFFICER
MICHAEL KRUSHENA	INVESTMENT OFFICER
RONALD A. KING	GENERAL COUNSEL
JANET S. LENEAR	RECORDING SECRETARY

STAFF EXCUSED

NONE

STAFF ABSENT

NONE

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3127 – THURSDAY – JANUARY 19, 2017

2

CHAIRPERSON

PORȚIA ROBERSON

VICE CHAIRPERSON

JOHN SERDA

FOLLOWING A VERBAL ROLL CALL, CHAIRPERSON **ROBERSON** CALLED THE MEETING TO ORDER AT **9:20 A.M.**

JANUARY 19, 2017 AGENDA APPROVAL

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE TUCKER

RESOLVED, THAT TODAY'S JANUARY 19, 2017 AGENDA BE APPROVED AS PREPARED AND PRESENTED BY THE BOARD'S RECORDING SECRETARY:

YEAS – TRUSTEES DIAZ, GNATEK, NAGLICK, NEARY, PEGG, SERDA, SZYMANSKI, THOMAS, TROZAK, TUCKER AND CHAIRPERSON ROBERSON – 11

NAYS – NONE

DROP APPLICATIONS

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE SZYMANSKI

RESOLVED, THAT THE DROP APPLICATIONS WHICH ARE REFERENCED BELOW BE APPROVED:

DROP APPLICATIONS

NAME-TITLE-DEPARTMENT:	ROBERT CARLTON – OFFICER - POLICE
RETIREMENT TYPE-PLAN:	DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE:	20 06 29 – 12 02 16

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3127 – THURSDAY – JANUARY 19, 2017

3

DROP APPLICATIONS - CONTINUED

DROP APPLICATIONS - CONTINUED

NAME-TITLE-DEPARTMENT: COLETTE BURKS-WEATHERS – OFFICER - POLICE
RETIREMENT TYPE-PLAN: DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE: 17 07 13 – 11 23 16

NAME-TITLE-DEPARTMENT: SHAWN DAVIDSON – OFFICER - POLICE
RETIREMENT TYPE-PLAN: DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE: 20 06 27 – 12 13 16

NAME-TITLE-DEPARTMENT: EVERETT BARGE – INVESTIGATOR - POLICE
RETIREMENT TYPE-PLAN: DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE: 20 05 27 – 01 04 17

NAME-TITLE-DEPARTMENT: KEISHA BEASLEY-DORSEY – OFFICER - POLICE
RETIREMENT TYPE-PLAN: DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE: 17 06 29 – 12 15 16

NAME-TITLE-DEPARTMENT: WILLIAM RICE, JR. – OFFICER - POLICE
RETIREMENT TYPE-PLAN: DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE: 20 09 01 – 12 07 16

NAME-TITLE-DEPARTMENT: SCOTT SHEA – OFFICER - POLICE
RETIREMENT TYPE-PLAN: DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE: 18 01 25 – 09 26 16

YEAS – TRUSTEES DIAZ, GNATEK, NAGLICK, NEARY, PEGG, SERDA, SZYMANSKI,
THOMAS, TROZAK, TUCKER AND CHAIRPERSON ROBERSON – 11

NAYS – NONE

RECEIPTS

THE BOARD ACKNOWLEDGED THE **RECEIPTS** WHICH FOLLOW:

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3127 – THURSDAY – JANUARY 19, 2017

RECEIPTS - CONTINUED

RECEIPTS

The Police & Fire Retirement System of the City of Detroit			
Receipts for Acknowledgement			
1/2/17-1/13/17			
Meeting #3127			
January 19, 2017			
REMITTER	WIRE DATE	DESCRIPTION	AMOUNT
RECEIPTS			
Hamilton Lane	01/05/17	Distribution	138,463.00
Guggenheim HI YLD FD	01/05/17	Distribution	20,000,000.00
Payden Rypel	01/05/17	Distribution	42,895.64
Payden Rypel	01/05/17	Distribution	5,621.32
Perseus VII	01/09/17	Distribution	124,897.79
LA Capital Global Equity	01/11/17	Distribution	5,000,000.00
FIRST INDEPENDENCE BANK	01/04/17	Loan Deductions	41,145.34
FIRST INDEPENDENCE BANK	01/10/17	Loan Deductions	139,449.24
CITY OF DETROIT	01/06/17	Weekly Mandatory Employee Contribution	243,651.64
CITY OF DETROIT	01/06/17	Weekly Annuity Contribution	3,508.15
CITY OF DETROIT	01/13/17	Weekly Mandatory Employee Contribution	80,100.28
CITY OF DETROIT	01/13/17	Weekly Annuity Contribution	565.64
		TOTAL RECEIPTS	\$ 25,820,298.04

DISBURSEMENTS

BY TRUSTEE SZYMANSKI – SUPPORTED BY TRUSTEE GNATEK

RESOLVED, THAT THE **DISBURSEMENTS** WHICH FOLLOW BE APPROVED:

The Police & Fire Retirement System of the City of Detroit			
Disbursements for Approval			
1/2/17-1/13/17			
Meeting #3127			
January 19, 2017			
PAYEE NAME		DESCRIPTION	AMOUNT
DISBURSEMENTS			
Annuity Refunds		Refund List #3666	470,398.05
Checkwrite		Capital Calls, Legal, Administrative & Misc. Expenses	0.00
Loan Program		Loan Funding: Meeting No. 3126	142,946.00
		TOTAL DISBURSEMENTS	\$ 613,344.05

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3127 – THURSDAY – JANUARY 19, 2017

5

DISBURSEMENTS – CONTINUED

THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT

LIST OF DISBURSEMENTS FOR BOARD APPROVAL

FOR JANUARY 19, 2017

PAYEE	DATE	INVOICE NO.	DESCRIPTION	AMOUNT
CAPITAL CALLS:				
DRA GROWTH AND INCOME FUND IX LLC	12/27/2016		Due 1/13/17	\$4,608,500.00
HARRISON STREET CORE PROPERTY FUND L	12/21/2016		Due 1/4/17	\$20,000,000.00
STEWARD REAL ESTATE MANAGEMENT, LLC	12/20/2016		Management Fees: Due 1/3/17	\$31,215.58
Subtotal				\$24,639,715.58
MANAGEMENT FEES:				
HARVEST FUND ADVISORS LLC	10/24/2016		Management Fees - 3Q16	\$154,798.54
NORTHPOINTE CAPITAL, LLC	1/5/2017	4Q16	Management Fees - 4th Qtr '16	\$74,878.67
NORTHPOINTE CAPITAL, LLC	1/5/2017	Micro 4Q16	Management Fees - 4th Qtr '16	\$39,639.74
PAYDEN & RYGEL	12/12/2016	1612-M1116	Management Fees - November 2016	\$8,078.00
PAYDEN & RYGEL	12/12/2016	1613-M1116	Management Fees - November 2016	\$7,736.00
SMITH GRAHAM	12/31/2016	4Q16	Management Fees - 4th Qtr '16	\$19,286.00
Subtotal				\$304,416.95
ADMINISTRATIVE EXPENSES:				
500 WEBWARD LLC	12/28/2016	26850	Maintenance - Plumbing	\$164.74
500 WEBWARD LLC	12/29/2016	737735	Electrical Reading: 11/29/16-12/29/16, Meter #16055044	\$853.03
500 WEBWARD LLC	12/29/2016	737736	Electrical Reading: 11/29/16-12/29/16, Meter #16055070	\$1,253.41
COMCAST	12/17/2016	121716	High-Speed Internet	\$235.77
COURTLAND PARTNERS, LTD.	12/31/2016	2371	Real Estate Consulting Services - 4th Qtr '16	\$47,504.00
CREATIVE BREAKTHROUGHS INC	12/31/2016	1196488	IT Security Svcs	\$4,500.00
CREATIVE BREAKTHROUGHS INC	12/31/2016	1196466	IT Security Svcs	\$10,056.25
DIRECTV	12/24/2016	30273632447	Service Charges	\$36.50
FEDEX	1/11/2017	5-671-32427	FedEx Mailings	\$33.28
FEDEX	12/28/2016	5-658-19433	FedEx Mailings	\$55.77
GABRIEL, ROEDER, SMITH & CO	1/4/2017	427328	Actuarial Services for November/December 2016	\$31,678.00
IRON MOUNTAIN	12/31/2016	201193900	Storage CDs	\$629.45
IRON MOUNTAIN RECORDS MANAGEMENT	12/31/2016	NHV9206	Records Storage	\$1,567.40
IT STAFF WAGES	12/31/2016		IT Staff Wages for December 2016	\$32,668.38

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Accounting_Disbursement_List

Page 1 of .

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3127 – THURSDAY – JANUARY 19, 2017

6

DISBURSEMENTS – CONTINUED

THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT

LIST OF DISBURSEMENTS FOR BOARD APPROVAL

FOR JANUARY 19, 2017

<u>PAYEE</u>	<u>DATE</u>	<u>INVOICE NO</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
LIEBERT SERVICES / VERTIV	1/2/2017	57364887	Computer Supplies (Batteries)	\$3,697.00
NEOFUNDS BY NEOPOST	1/3/2017	010317	Postage	\$743.08
OFFICE DEPOT	12/6/2016	884893458001	Office Supplies	\$32.50
OFFICE DEPOT	12/6/2016	884893459001	Office Supplies	\$14.74
OFFICE DEPOT	12/6/2016	884893460001	Office Supplies	\$22.79
OFFICE DEPOT	11/15/2016	879477720001	Office Supplies	\$66.45
PLANTE & MORAN	12/28/2016	1391819	Audit Services through 12/22/16 for Year Ended June 30, 2016	\$21,075.00
POSTMASTER	1/17/2017	011717	Postage - 1099 Mailings	\$15,000.00
PREFERRED DATA SYSTEMS, LLC	6/28/2016	23832	Computer Support, Equipment	\$275.00
PREFERRED DATA SYSTEMS, LLC	6/21/2016	23810	Computer Support, Equipment	\$44.50
PREFERRED DATA SYSTEMS, LLC	7/27/2016	23927	Computer Support, Equipment	\$1,280.87
QUILL CORPORATION	12/7/2016	2430977	Office Supplies	\$19.99
QUILL CORPORATION	12/5/2016	2349648	Office Supplies	\$162.49
QUILL CORPORATION	12/5/2016	2365641	Office Supplies	\$4.77
QUILL CORPORATION	12/19/2016	2777842	Office Supplies	\$200.00
QUILL CORPORATION	12/20/2016	2811776	Office Supplies	\$37.49
QUILL CORPORATION	12/5/2016	2355739	Office Supplies	\$17.00
SHRED-IT USA	12/22/2016	8121436436	Off-Site Regular Service	\$71.59
STAFF WAGES	12/18/2016		Staff Wages for 12/5/16 - 12/18/16	\$22,793.17
STAFF WAGES	1/1/2017		Staff Wages for 12/19/16 - 1/1/17	\$10,873.22
UHY ADVISORS MI INC	12/31/2016		Prof Consulting Svcs - 12/1/16-12/31/16, Inv # 1194926 - Phase III	\$54,225.00
UHY ADVISORS MI INC	12/31/2016		Prof Accounting Svcs - 12/1/16-12/22/16, Inv # 1194828	\$54,731.25
VERIZON WIRELESS	1/4/2017	9778136649	Trustee Wireless: 12/5/16-1/4/17	\$1,078.85
VERIZON WIRELESS	1/4/2017	9778136648	Trustee Wireless: 12/5/16-1/4/17	\$1,151.09
WELLS FARGO VENDOR FINANCIAL SVCS, LLC	1/6/2017	98132552	RICOH color copier lease	\$135.56
WILSHIRE ASSOCIATES INCORPORATED	12/1/2016	INV00163137	Consulting Services - 1st Qtr '17	\$130,451.67
XEROX	1/1/2017	087493326	Printers	\$70.70
Subtotal				\$449,511.75

OTHER EXPENSES:

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Accounting Disbursement List

Page 1 of

DISBURSEMENTS – CONTINUED

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3127 – THURSDAY – JANUARY 19, 2017

THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
LIST OF DISBURSEMENTS FOR BOARD APPROVAL
FOR JANUARY 19, 2017

<u>PAYEE</u>	<u>DATE</u>	<u>INVOICE NO</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
ANGELA JAMES	1/17/2017	011717	Trustee Parking	\$140.00
Anthony B. Michaels, D.O.	12/7/2016		Disability Evaluation DPD Police Officer	\$1,275.00
Anthony B. Michaels, D.O.	12/7/2016		Disability Evaluation DPD Police Officer	\$1,100.00
GREGORY TROZAK	1/17/2017	011717	Retired Trustee Parking	\$160.00
GREGORY TROZAK	1/17/2017	4Q16	Retired Trustee Stipend	\$849.65
JOHN TUCKER	1/17/2017	011717	Retired Trustee Parking	\$220.00
JOHN TUCKER	1/17/2017	4Q16	Retired Trustee Stipend	\$849.65
REGINALD E. ONEAL	1/10/2017	011017	Medical Examinations: 6/21/16, 11/11/16-12/13/16	\$2,830.00
T. Eledge	12/16/2016		Re-Exam Travel Expenses Reimbursement	\$720.87
Subtotal				\$8,145.17
Total Disbursements for Board Approval				\$25,401,789.45

YEAS – TRUSTEES DIAZ, GNATEK, NAGLICK, NEARY, PEGG, SERDA, SZYMANSKI, THOMAS, TROZAK, TUCKER AND CHAIRPERSON ROBERSON – 11

NAYS – NONE

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE SZYMANSKI

RESOLVED, THAT THE CONTRIBUTIONS TO THE **ANNUITY SAVINGS FUND** BY MEMBERS OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

LIST NUMBER 3666 - \$584,131.05

LIST NUMBER 3667 - \$517,915.63

YEAS – TRUSTEES DIAZ, GNATEK, NAGLICK, NEARY, SERDA, SZYMANSKI, THOMAS, TROZAK, TUCKER AND CHAIRPERSON ROBERSON – 10

NAYS – NONE

ABSTENTIONS – TRUSTEE PEGG – 1

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3127 – THURSDAY – JANUARY 19, 2017

8

1974 DEFINED CONTRIBUTION PLAN (EMPLOYEE LOAN PROGRAM)

BY TRUSTEE DIAZ – SUPPORTED BY TRUSTEE SZYMANSKI

RESOLVED, THAT THE **1974** DEFINED CONTRIBUTION PLAN LOAN REQUEST LISTS SUBMITTED THIS DATE BE APPROVED AND THE REQUESTED AMOUNTS BE DISBURSED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

LIST #1 – \$142,946.00

LIST #2 – \$ 46,286.000

YEAS – TRUSTEES DIAZ, GNATEK, NAGLICK, NEARY, PEGG, SERDA, SZYMANSKI, THOMAS, TROZAK, TUCKER AND CHAIRPERSON ROBERSON – 11

NAYS – NONE

DECEMBER 1, 2016 MINUTE APPROVAL

BY TRUSTEE DIAZ – SUPPORTED BY TRUSTEE SZYMANSKI

RESOLVED, THAT THE MINUTES OF THE MEETING HELD **THURSDAY, DECEMBER 1, 2016** BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

YEAS – TRUSTEES DIAZ, GNATEK, NAGLICK, NEARY, PEGG, SERDA, SZYMANSKI, THOMAS, TROZAK, TUCKER AND CHAIRPERSON ROBERSON – 11

NAYS – NONE

DECEMBER 15, 2016 MINUTE APPROVAL

BY TRUSTEE DIAZ – SUPPORTED BY TRUSTEE SZYMANSKI

RESOLVED, THAT THE MINUTES OF THE MEETING HELD **THURSDAY, DECEMBER 15, 2016** BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

DECEMBER 15, 2016 MINUTE APPROVAL - CONTINUED

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3127 – THURSDAY – JANUARY 19, 2017

9

YEAS – TRUSTEES DIAZ, NAGLICK, NEARY, PEGG, SERDA, SZYMANSKI,
THOMAS, TROZAK, TUCKER AND CHAIRPERSON ROBERSON – 10

NAYS – NONE

ABSTENTIONS – TRUSTEE GNATEK – 1

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

ASSISTANT EXECUTIVE DIRECTOR **DAVID CETLINSKI** ASKED THE BOARD TO APPROVE THE SYSTEM'S SUMMARY ANNUAL REPORT (COMPONENTS I AND II) FOR THE FISCAL YEAR ENDED JUNE 30, 2015.

PFRS SUMMARY ANNUAL REPORT (COMPONENTS I AND II – JUNE 30, 2015)

BY TRUSTEE NAGLICK – SUPPORTED BY TRUSTEE GNATEK

RESOLVED, THAT THE BOARD HEREBY APPROVES THE SYSTEM'S SUMMARY ANNUAL REPORT (COMPONENTS I AND II) AS OF JUNE 30, 2015, AND BE IT FURTHER

RESOLVED, THAT SAID REPORT BE POSTED ON THE SYSTEM'S WEBSITE:

YEAS – TRUSTEES DIAZ, GNATEK, NAGLICK, NEARY, PEGG, SERDA, SZYMANSKI,
THOMAS, TROZAK, TUCKER AND CHAIRPERSON ROBERSON – 11

NAYS – NONE

CONDOLENCES

MR. CETLINSKI INFORMED THE BOARD THAT FORMER RETIREMENT SYSTEM CHIEF INFORMATION OFFICER **DENNIS LINET** LOST HIS SON, **TREVOR** (DENNIS' ONLY CHILD), A COUPLE OF DAYS AGO, NOTING THAT HE WILL ATTEND **TREVOR'S** SERVICES WHICH WILL BE HELD THIS SATURDAY, JANUARY 21, 2017, BETWEEN THE HOURS OF 2:00 P.M. AND 7:00 P.M.

EXECUTIVE DIRECTOR'S REPORT

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3127 – THURSDAY – JANUARY 19, 2017

10

EXECUTIVE DIRECTOR **CYNTHIA A. THOMAS** HAS NOT YET ATTENDED THE MEETING.

CHIEF INVESTMENT OFFICER'S REPORT

CHIEF INVESTMENT OFFICER **RYAN C. BIGELOW** INFORMED THE BOARD THAT THE SYSTEM'S INVESTMENT COMMITTEE WILL MEET ON FEBRUARY 6, 2017. HE ALSO PROVIDED THE BOARD WITH A STATUS UPDATE REGARDING WASHINGTON PLAZA AND THE MGRA GENESIS VALUE FUND.

PUBLIC RELATIONS ADVISOR'S REPORT

PUBLIC RELATIONS ADVISOR **BRUCE BABIARZ** PROVIDED THE BOARD WITH A POST-CHAPTER 9 BANKRUPTCY UPDATE.

LOBBYIST'S REPORT

LOBBYIST **OSCAR W. KING, III** HAS NOT YET ATTENDED THE MEETING.

GENERAL COUNSEL'S REPORT

GENERAL COUNSEL **RONALD A. KING** ASKED THE BOARD TO ENTER INTO CLOSED SESSION FOR THE PURPOSE OF DISCUSSING PENDING LITIGATION.

CLOSED SESSION

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE DIAZ

RESOLVED, THAT THE BOARD ENTER INTO CLOSED SESSION FOR THE PURPOSE OF DISCUSSING PENDING LITIGATION:

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

YEAS – TRUSTEES DIAZ, GNATEK, NAGLICK, NEARY, PEGG, SERDA, SZYMANSKI, THOMAS, TROZAK, TUCKER AND CHAIRPERSON ROBERSON – 11

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3127 – THURSDAY – JANUARY 19, 2017

11

CLOSED SESSION – CONTINUED

NAYS – NONE

THE BOARD ENTERED INTO CLOSED SESSION AT **9:28 A.M.**

EXECUTIVE DIRECTOR **CYNTHIA A. THOMAS** ENTERED THE MEETING AT 9:30 A.M.; TRUSTEE **ANGELA R. JAMES** ENTERED AT 9:31 A.M.; AND TRUSTEE **BRENDA JONES** ENTERED AT 9:33 A.M.

LOBBYIST **OSCAR W. KING, III** ENTERED THE MEETING AT 9:52 A.M.; AND TRUSTEE **MEGAN MOSLIMANI** ENTERED AT 9:55 A.M.

TRUSTEE **DAVID SZYMANSKI** TEMPORARILY EXCUSED HIMSELF AT 10:03 A.M.

OPEN SESSION

BY TRUSTEE JONES – SUPPORTED BY TRUSTEE NEARY

RESOLVED, THAT THE BOARD RETURN TO OPEN SESSION:

YEAS – TRUSTEES DIAZ, GNATEK, JAMES, JONES, MOSLIMANI, NAGLICK, NEARY, PEGG, SERDA, THOMAS, TROZAK, TUCKER AND CHAIRPERSON ROBERSON – 13

NAYS – NONE

THE BOARD RETURNED TO OPEN SESSION AT **10:08 A.M.**

ADOPTION OF SECURITIES LITIGATION POLICY AND APPOINTMENT OR RE-APPOINTMENT OF SECURITIES LITIGATION FIRMS

BY TRUSTEE DIAZ – SUPPORTED BY TRUSTEE GNATEK

WHEREAS, at its regular meeting on January 19, 2017, the Board of Trustees of the Police and Fire Retirement System of the City of Detroit (“PFRS Board”), received and reviewed a proposed Securities Litigation Policy and a January 19, 2017 memorandum (“Memo”) from General Counsel recommending the appointment or re-appointment of securities litigation

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3127 – THURSDAY – JANUARY 19, 2017

12

ADOPTION OF SECURITIES LITIGATION POLICY AND APPOINTMENT OR RE-APPOINTMENT OF SECURITIES LITIGATION FIRMS - CONTINUED

firms following appropriate due diligence including the PFRS Board conducting in-person interviews of the various firms; and

WHEREAS, the PFRS Board determined it was appropriate to adopt the Securities Litigation Policy and appoint or re-appoint the securities litigation firms as set forth in Memo; and

WHEREAS, the Board continues to view pursuing appropriate securities claims and derivative claims as part of its obligation to discharge its fiduciary duties to PFRS pursuant to the Public Employee Retirement System Investment Act, Act 314 of 1965; and

WHEREAS, the Board has been advised by General Counsel regarding this matter; and

WHEREAS, the Board has considered this matter in open session; now therefore be it

RESOLVED, that the Board adopts the Securities Litigation Policy as presented at its January 19, 2017 meeting; and be it further

RESOLVED, that the Board accepts the recommendation of General Counsel as set forth in the Memo and appoints or re-appoints the following firms to serve as securities litigation counsel:

1. Bernstein, Litowitz, Berger & Grossman (Mark Lebovitch)
2. Kohn, Swift & Graff (Denis Sheils)
3. Labaton Sucharow (Garrett Bradley)
4. Motley Rice (Marlon Kimpson)
5. Scott & Scott (David Scott)
6. Kirby McInerney (Peter Linden); and be it further

RESOLVED, that a copy of this resolution will be forwarded to the firms identified above and General Counsel:

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3127 – THURSDAY – JANUARY 19, 2017

13

ADOPTION OF SECURITIES LITIGATION POLICY AND APPOINTMENT OR RE-APPOINTMENT OF SECURITIES LITIGATION FIRMS - CONTINUED

YEAS – TRUSTEES DIAZ, GNATEK, JAMES, JONES, MOSLIMANI, NAGLICK, NEARY, PEGG, SERDA, THOMAS, TROZAK, TUCKER AND CHAIRPERSON ROBERSON – 13

NAYS – NONE

EXECUTIVE DIRECTOR'S REPORT

FOR REVIEW AND SUBSEQUENT APPROVAL, EXECUTIVE DIRECTOR **CYNTHIA A. THOMAS** PROVIDED THE TRUSTEES WITH A COPY OF THE JOINT PERSONNEL COMMITTEE CHARTER FOR THE POLICE AND FIRE AND GENERAL RETIREMENT SYSTEMS. FOLLOWING A DETAILED DISCUSSION OF SAID CHARTER, TRUSTEE **PEGG** MADE THE MOTION WHICH FOLLOWS:

TRUSTEE **SZYMANSKI** RETURNED TO THE MEETING AT 10:30A.M. BUT THEN EXCUSED HIMSELF AT 10:44 A.M.

ASSESSMENT OF FEASIBILITY OF SEPARATING POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT (“PFRS”) AND GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT (“GRS”)

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE JONES

WHEREAS, at its regular meeting on January 19, 2017, the Board of Trustees of the Police and Fire Retirement System of the City of Detroit (“PFRS Board”), engaged in a discussion as to the feasibility of separating PFRS and GRS as to one or more of the various management, staff and process functions which are now jointly administered by the Retirement System City of Detroit (“RSCD”) staff; and

WHEREAS, the PFRS Board considered this matter in open session; now therefore be it

RESOLVED, that the PFRS Board directs senior management (as determined by the Executive Director) to begin evaluating the feasibility of separating PFRS and GRS as to one or more of the various management, staff and process functions which are now jointly administered by RSCD staff and provide the PFRS Board with periodic updates of this evaluation; and be it further

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3127 – THURSDAY – JANUARY 19, 2017

14

ASSESSMENT OF FEASIBILITY OF SEPARATING POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT (“PFRS”) AND GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT (“GRS”) - CONTINUED

RESOLVED, that a copy of this resolution will be forwarded to the Executive Director for appropriate action:

YEAS – TRUSTEES DIAZ, GNATEK, JAMES, JONES, MOSLIMANI, NAGLICK, NEARY,
PEGG, SERDA, THOMAS, TROZAK, TUCKER AND CHAIRPERSON
ROBERSON – 13

NAYS – NONE

PFRS/GRS JOINT PERSONNEL COMMITTEE CHARTER

BY TRUSTEE JONES – SUPPORTED BY TRUSTEE THOMAS

RESOLVED, THAT ACTION (VOTING) REGARDING THE PFRS/GRS JOINT PERSONNEL COMMITTEE CHARTER BE POSTPONED UNTIL FEBRUARY 2, 2017:

YEAS – TRUSTEES DIAZ, GNATEK, JAMES, JONES, MOSLIMANI, NAGLICK, NEARY,
PEGG, SERDA, THOMAS, TROZAK, TUCKER AND CHAIRPERSON
ROBERSON – 13

NAYS – NONE

LOBBYIST'S REPORT

LOBBYIST **OSCAR W. KING, III** PROVIDED THE BOARD WITH A MICHIGAN LEGISLATIVE UPDATE.

PUBLIC FORUM

AT **11:12 A.M.**, **CHAIRPERSON ROBERSON** DECLARED THE MEETING IN OPEN FORUM FOR GENERAL DISCUSSION BY THE PUBLIC ATTENDING THE MEETING.

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3127 – THURSDAY – JANUARY 19, 2017

15

ADJOURNMENT

THERE BEING NO FURTHER BUSINESS BEFORE THE BOARD, **CHAIRPERSON ROBERSON** ADJOURNED THE MEETING AT **11:13 A.M.** UNTIL **THURSDAY, FEBRUARY 2, 2017**, AT **9:00 A.M.**, IN THE CONFERENCE ROOM OF THE RETIREMENT SYSTEMS, 500 WOODWARD AVENUE, SUITE 3000, DETROIT, MICHIGAN 48226.

RESPECTFULLY SUBMITTED,



DAVID CETLINSKI, ASSISTANT EXECUTIVE DIRECTOR